

**SNOHOMISH COUNTY FIRE PROTECTION DISTRICT NO. 20**  
**Snohomish County, Washington**  
**January 1, 1993 Through December 31, 1995**

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**Schedule Of Findings**

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1. Snohomish County Fire Protection District No. 20 Management Should Comply With State Bid Laws

During our review of the district's compliance with state bid laws, we noted the following instances of noncompliance:

- In September 1993, the district solicited bids for a new addition to the fire station. The district published the required notice and selected the lowest bidder at a public meeting. The low bidder was AAA Custom Remodelers at \$19,753. However, the contract the district signed with AAA Custom Remodelers was for \$35,640.37. There was no documentation of specific changes to the project causing this price increase. In contracting with AAA Custom Remodelers for the increased price, the district invalidated the bid process.
- In September 1995, the district purchased a used Suburban for \$15,000 without publishing a notice requesting bids.

RCW 52.14.110 requires fire districts use a competitive bid procedure for all purchases in excess of \$10,000.

RCW 52.14.120 states in part:

Notice of the call for bids shall be given by publishing the notice in a newspaper of general circulation within the district at least thirteen days before the last date upon which bids will be received.

The district's failure to properly use competitive bidding procedures increases the likelihood that the district will not receive the greatest benefit from the tax dollars spent.

We recommend district management use competitive bidding procedures in soliciting public works contracts and purchasing materials, supplies, or equipment if the cost will exceed \$10,000. Furthermore, contracts awarded to the low bidder should be for the amount of the bid.

2. Snohomish County Fire Protection District No. 20 Management Should Not Make Advances Or Gifts Of District Funds

The district contracted with AAA Custom Remodelers for the construction of an addition to the fire station. Construction on the project started in December 1994 and ended in February 1995. During our review of the contract and the district's payments on the contract, we noted the following instances of noncompliance:

- The district made two advances to AAA Custom Remodelers for the fire station addition. The first advance was a \$700 payment on December 22, 1993. The second advance was a \$5,000 payment on December 16, 1994. Both of these advances were made before a contract was signed and work was started. We believe these advances constitute a lending of credit of the district's funds.
- On January 10, 1995, the district signed the contract with AAA Custom Remodelers for construction of the project referenced above. The contract total, including tax, was \$35,640.37. There were no significant changes in the scope of the project, which was completed in February 1995. On February 23, 1995, the district agreed to increase the contract total by \$5,658.66 to \$41,299.03. Total payments for the project ended up being \$41,799.03. The additional \$6,358.66, above the contracted amount, we believe constitutes a gift of public funds.

Washington State Constitution, Article VIII, Section 7 states in part:

No county, city, town, or other municipal corporation shall hereafter give any money, or property, or loan its money, or credit to or in aid of any individual, association, company or corporation . . . .

We recommend the district make no further advances of district funds. We further recommend the district seek reimbursement of the \$6,358.66 in excess of the contract amount.